



# **CITY COUNCIL AGENDA REPORT**

MEETING DATE: JANUARY 15, 2008

ITEM NUMBER:

**SUBJECT** GENERAL PLAN SCREENING GPS-07-05 FOR 440 FAIR DRIVE

**DATE:** JANUARY 4, 2008

**FROM:** DEVELOPMENT SERVICES DEPARTMENT/PLANNING DIVISION

**PRESENTATION BY:** REBECCA ROBBINS, ASSISTANT PLANNER

**FOR FURTHER INFORMATION CONTACT:** REBECCA ROBBINS, ASSISTANT PLANNER  
(714) 754-5609

---

## **RECOMMENDATION:**

City Council to direct staff not to process the requested General Plan Amendment.

## **BACKGROUND:**

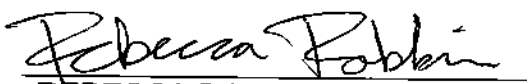
On December 4, 2007, City Council considered the subject General Plan screening request for a proposed mixed-use development at 440 Fair Drive.


## **ANALYSIS:**

The purpose of continuing this General Plan screening request was to provide the applicant an opportunity to revise his development proposal addressing Council's concerns and issues:

- Identify other development alternatives for the property.
- Consider a major remodel of the existing commercial building or demolition.
- Eliminated the proposed multiple curbcuts/driveways along Carnegie Avenue.
- Minimize/address potential overflow parking of residents/customers on Carnegie Avenue in light of the resident permit parking only situation.
- Correctly analyze the trip generation for any proposed development scenario.
- Consider other uses that do not involve new homeowners having views of the existing commercial structure.

As of this staff report date, the applicant has yet to address Council's concerns nor has staff been contacted to discuss alternative development scenarios. Therefore, staff's recommendation remains the same to reject the General Plan screening request.

  
REBECCA ROBBINS  
Assistant Planner

  
DONALD D. LAMM, AICP  
Deputy City Mgr. – Dev. Svs. Director

Attachment: City Council Agenda Report dated December 4, 2007

Distribution: City Manager  
Asst. City Manager  
City Attorney  
Acting Public Services Director  
City Clerk (2)  
Staff (4)  
File (2)

The Sheldon Group  
901 Dove Street, Suite 140  
Newport Beach, CA 92660

Dalessio Investments  
440 Fair Drive, Suite F  
Costa Mesa, CA 92626

File: 011508GPS0705CONT	Date: 010308	Time: 11:00 a.m.
-------------------------	--------------	------------------



# **CITY COUNCIL AGENDA REPORT**

MEETING DATE: DECEMBER 4, 2007

ITEM NUMBER:

SUBJECT: GENERAL PLAN SCREENING REQUEST FOR THE FOLLOWING PROPERTIES:

- (1) GPS-07-04 - 1957 NEWPORT BOULEVARD
- (2) GPS-07-05 - 440 FAIR DRIVE
- (3) GPS-07-06 - 320 EAST 18<sup>TH</sup> STREET

DATE: NOVEMBER 21, 2007

FROM: PLANNING DIVISION/DEVELOPMENT SERVICES DEPARTMENT

PRESENTATION BY: REBECCA ROBBINS, ASSISTANT PLANNER

FOR FURTHER INFORMATION CONTACT: REBECCA ROBBINS, ASSISTANT PLANNER  
(714) 754-5609

## **RECOMMENDATION**

- (1) Deny further processing of General Plan screening for GPS-07-04 at 1957 Newport Boulevard.
- (2) Deny further processing of General Plan screening for GPS-07-05 at 440 Fair Drive.
- (3) Approve for processing of General Plan screening for GPS-07-06 at 320 East 18<sup>th</sup> Street.

## **ANALYSIS**

The General Plan screening requests are briefly summarized below:

Application	Address	Request
GPS-07-04	1957 Newport Boulevard	Request from Starving Scholars Storage for a site-specific FAR of 1.31 in the General Commercial land use to accommodate a 40,188 square-foot mini-warehouse facility (including manager's residence and office).
GPS-07-05	440 Fair Drive	Request from D'Alessio Investments to change the land-use designation of a 1.66-acre site from Neighborhood Commercial to General Commercial and a site-specific FAR of 0.57 to accommodate a mixed-use development. Proposed are 11 live/work units and preservation of the existing 20,745 square-foot commercial building.
GPS-07-06	320 East 18 <sup>th</sup> Street	Request from Newport Investment Strategies to change the land-use designation of a 0.13-acre site from Public Institutional to Medium Density Residential for a residential project.

### ***Project Summary Sheet***

A one-page, project summary sheet is attached for each of the screening requests. This summary sheet provides the following information:

- General Plan Land Use Map and Aerial Photograph
- Project Description, Land Use, and Traffic Evaluation
- Justification for approval or rejection of application for further processing

### ***Traffic Analysis Required***

While a preliminary traffic evaluation was completed for the screening request, a detailed traffic analysis with the project-specific environmental review will be required at the time of project submittal.

### ***General Plan Screening Criteria***

City Council Policy 500-2 establishes a procedure for processing privately initiated General Plan amendments. This procedure involves a City Council screening of these requests prior to their acceptance for formal processing. The policy includes three (3) criteria for accepting requests and two (2) criteria for rejecting requests. The acceptance criteria are as follows:

1. A General Plan amendment is necessary to resolve inconsistency between the General Plan designation and zoning of a parcel.
2. A General Plan amendment is necessary to provide a uniform land-use designation on a single parcel.
3. A General Plan amendment would result in decreased traffic impacts from the property.

The criteria for rejecting an application are as follows:

1. The request applies to a single small lot or a small area, especially if the change would make the property inconsistent with surrounding properties.
2. The property is located in the Redevelopment Area and requires action by the Redevelopment Agency to amend the Redevelopment Plan.

In addition to the above criteria, the policy also states that no request shall be accepted that would increase the overall, citywide development cap. It does, however, allow amendments that would result in development exchanges or transfers to be considered. The policy also acknowledges these criteria are only guidelines and City Council may accept an application which does not meet the criteria if it finds there are overriding reasons to do so.

## ALTERNATIVES

The City Council has the following actions available for consideration:

1. As recommended by staff: Deny GPS-07-04 (1957 Newport Boulevard), Deny GPS-07-05 (440 Fair Drive), and Accept GPS-07-06 (320 East 18<sup>th</sup> Street) by separate motions. Denial of a specific screening request would maintain the existing land-use designations and corresponding land-use regulations. The proposed requests recommended for denial are considered inconsistent with the General Plan.
2. Approve or Deny any specific screening request. Pursuant to Council Policy 500-2, Council may acknowledge that the General Plan screening criteria are only guidelines and that City Council may accept an application that does not meet the criteria based on other considerations.

## FISCAL REVIEW

Fiscal review is not required for this item.

## LEGAL REVIEW

Legal review is not required for this item.

## CONCLUSION

Staff believes that the screening requests for (1) GPS-07-04 at 1957 Newport Boulevard and (2) GPS-07-05 at 440 Fair Drive fail to meet the central objectives of the General Plan. Thus, justifications for denial of these two applications are provided in the attached summary sheets.

Staff recommends acceptance of the screening request for GPS-07-06 at 320 East 18<sup>th</sup> Street. Based on a preliminary traffic and land-use analysis, staff believes that the screening request merits further consideration through the General Plan amendment process. Acceptance of the screening request does not set precedent for approval nor constitute the approval of a development project. The approval of a screening request strictly allows the applicant to further research/develop the proposal and provide City Council with an opportunity to review the relative merits of the proposed request in greater detail prior to final action.



REBECCA ROBBINS  
Assistant Planner



DONALD D. EAMM, AICP  
Deputy City Mgr. - Dev. Svs. Director

Attachments: ~~1. 1957 Newport Boulevard (Summary Sheet, Site Photos, Applicant Letter)~~  
2. 440 Fair Drive (Summary Sheet, Site Photos, Applicant Letter)  
~~3. 320 East 19<sup>th</sup> Street (Summary Sheet, Site Photos, Applicant Letter)~~

cc: City Manager  
Assistant City Manager  
City Attorney  
Public Services Director  
Transportation Svs. Mgr.  
Associate Engineer  
City Clerk  
Staff (4)  
File (2)

David Donovan  
1957 Newport Blvd.  
Costa Mesa, CA 92627

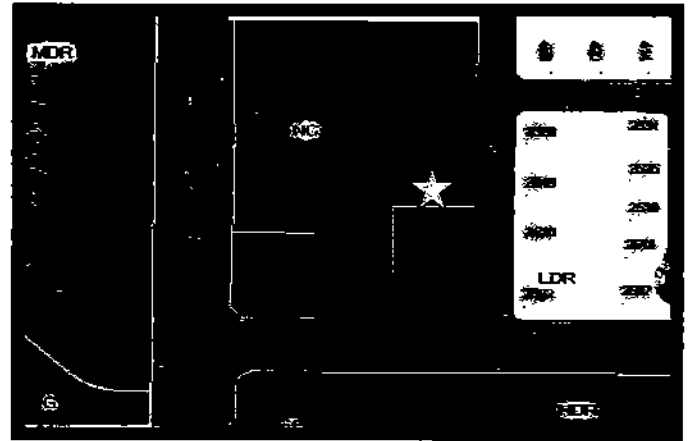
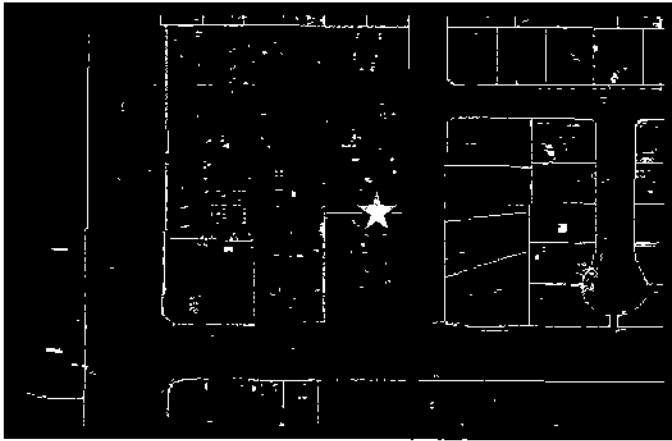
Phil Schwartz  
31872 San Juan Creek Circle  
San Juan Capistrano, CA 92675

The Sheldon Group  
901 Dove Street, Suite 140  
Newport Beach, CA 92660

Newport Investment Strategies  
620 Newport Center Dr., Suite 400  
Newport Beach, CA 92660

D'Alessio Investments  
440 Fair Drive, Suite F  
Costa Mesa, CA 92626

## GPS-07-05 – Carnegie Live/Work Units - 440 Fair Drive/2507 Carnegie Avenue

**BACKGROUND**

Dalessio Investments is the property owner of a 1.66-acre property at 440 Fair Drive / 2507 Carnegie Avenue. The site consists of a 20,745 square-foot, two-story commercial building including medical offices, a pizzeria, a cyber café, and other retail uses. (*Site photos and Proposed Site Plan, Attachments 2B and 2C.*)

**GENERAL PLAN SCREENING REQUEST**

The General Plan screening request involves the following amendments to the City's General Plan:

- Change General Plan land use designation from Neighborhood Commercial to General Commercial. The proposal requests a change to a higher-intensity, land use designation. If the General Plan amendment application is accepted for processing, a concurrent rezone of the property from Local Business (C1) to Planned Development Commercial (PDC) is also required to allow mixed-use development. (*Applicant Letter, Attachment 2D.*)
- Request for a site specific Floor-Area-Ratio (FAR) (0.25 FAR allowed / 0.57 FAR proposed). The requests an increase of the FAR limit by 128 percent, or 0.32 increase in FAR.

**TRAFFIC EVALUATION**

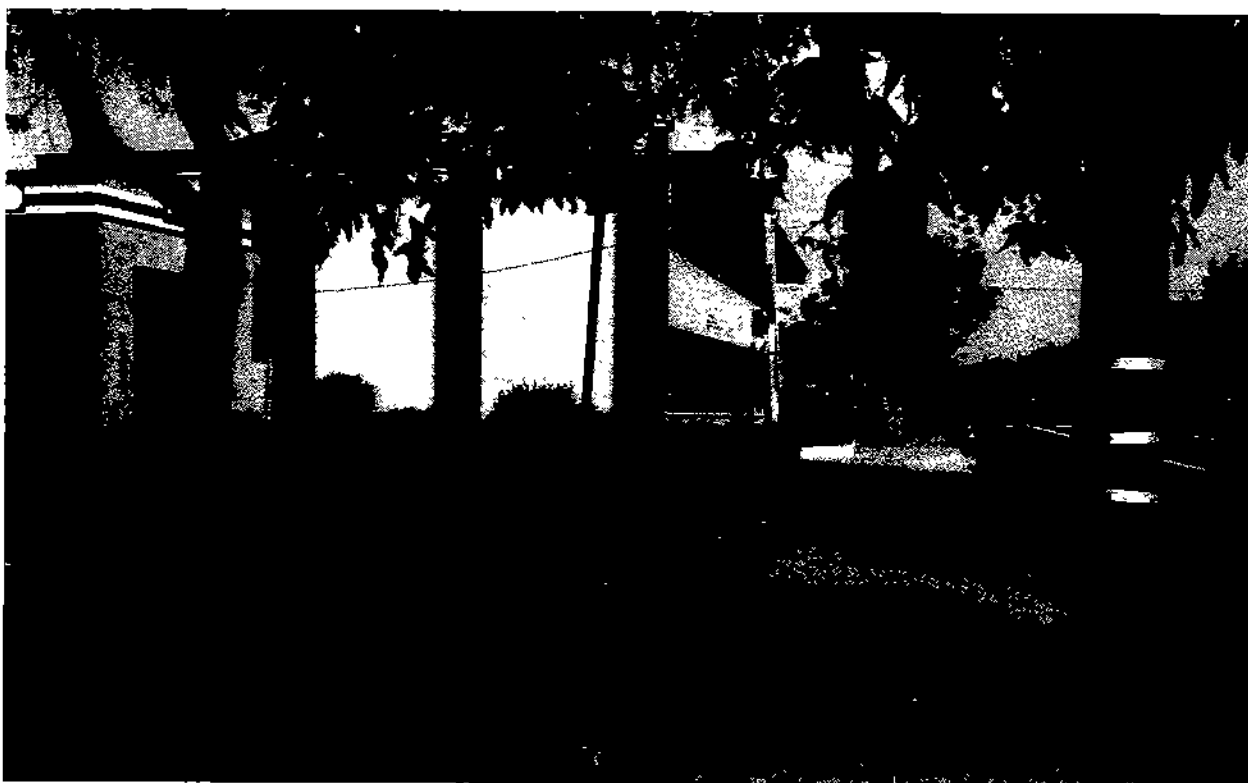
The proposed project would result in increased traffic compared to the existing condition:

General Plan Land Use Designation	Potential Buildout	AM Peak Hr Trips	PM Peak Hr Trips	Total Avg Daily Trips
Existing Neighborhood Commercial Land Use	Nonconforming 20,745 sq.ft. Commercial building: 0.29 Existing FAR	20	56	920
Proposed Project General Commercial Land Use	Preserve existing 20,745 sq. ft. Commercial Building and Build 11 new live/work units: 0.57 FAR proposed	25	77	1228
<b>Net Increase in Traffic</b>		<b>+5</b>	<b>+21</b>	<b>+308</b>

**JUSTIFICATIONS FOR DENIAL**

Staff recommends denial of this application from further processing based on the following reasons:

1. Project is in direct conflict with General Plan Objective LU-1E. This objective provides limitations to deviations from FAR standards. Specifically, this objective indicates that "no deviation shall exceed a 0.05 increase in the FAR in the moderate traffic category." The proposed request is for a 0.32 increase in FAR (128% deviation), and this major departure from the FAR standard directly conflicts with the General Plan.
2. Project is inconsistent with General Plan Objective LU-1C and will create a spot zone. This objective relates to promoting land use patterns contributing to community/neighborhood identity. The General Plan encourages mixed-use development in designated areas, such as Urban Plan areas, Triangle Square, and North Costa Mesa Specific Plan areas. This area along Harbor Boulevard / Fair Drive is not identified as a mixed-use development area. Therefore, the required PDC rezone of the property would create an isolated spot zone that differs measurably from the zoned land uses surrounding this area and that would serve the interest of a small group. While live/work units may serve as a transition from residential to commercial uses, this typically applies to a larger district, such as the Westside, and not to a spot zone.
3. Project will introduce commercial traffic on Carnegie Avenue, a residential street. An apartment complex is located to the south of Fair Drive, and single-family residential uses to the east. This area is not slated for mixed-use development. Staff believes that the commercial traffic from the live/work units and the multiple driveway approaches (six total are proposed on Carnegie) will be intrusive to the residential neighborhood.
4. Project fails to meet the General Plan acceptance screening criteria. There is a basis for denial of the proposed request under the General Plan screening criteria. Specifically, denial is based on the fact that the proposed change applies only to a small area, and the change would make the property incompatible with surrounding properties. (Denial Criteria #1, General Plan Screening).



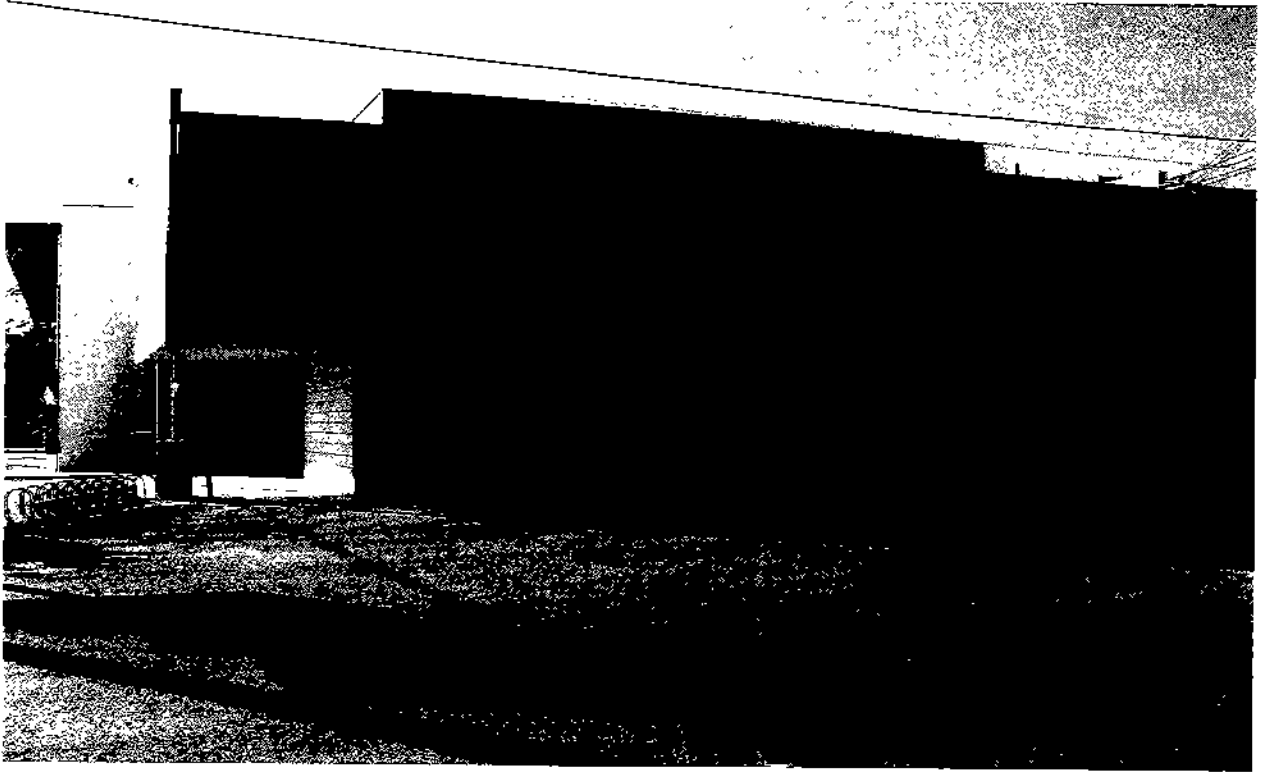
Looking east toward subject property



Looking east toward subject site



**Carnegie Town Homes**  
**440 Fair Drive / 2507 Carnegie Avenue**



Looking west at existing commercial building



Looking north down Carnegie Avenue (Subject site to west)

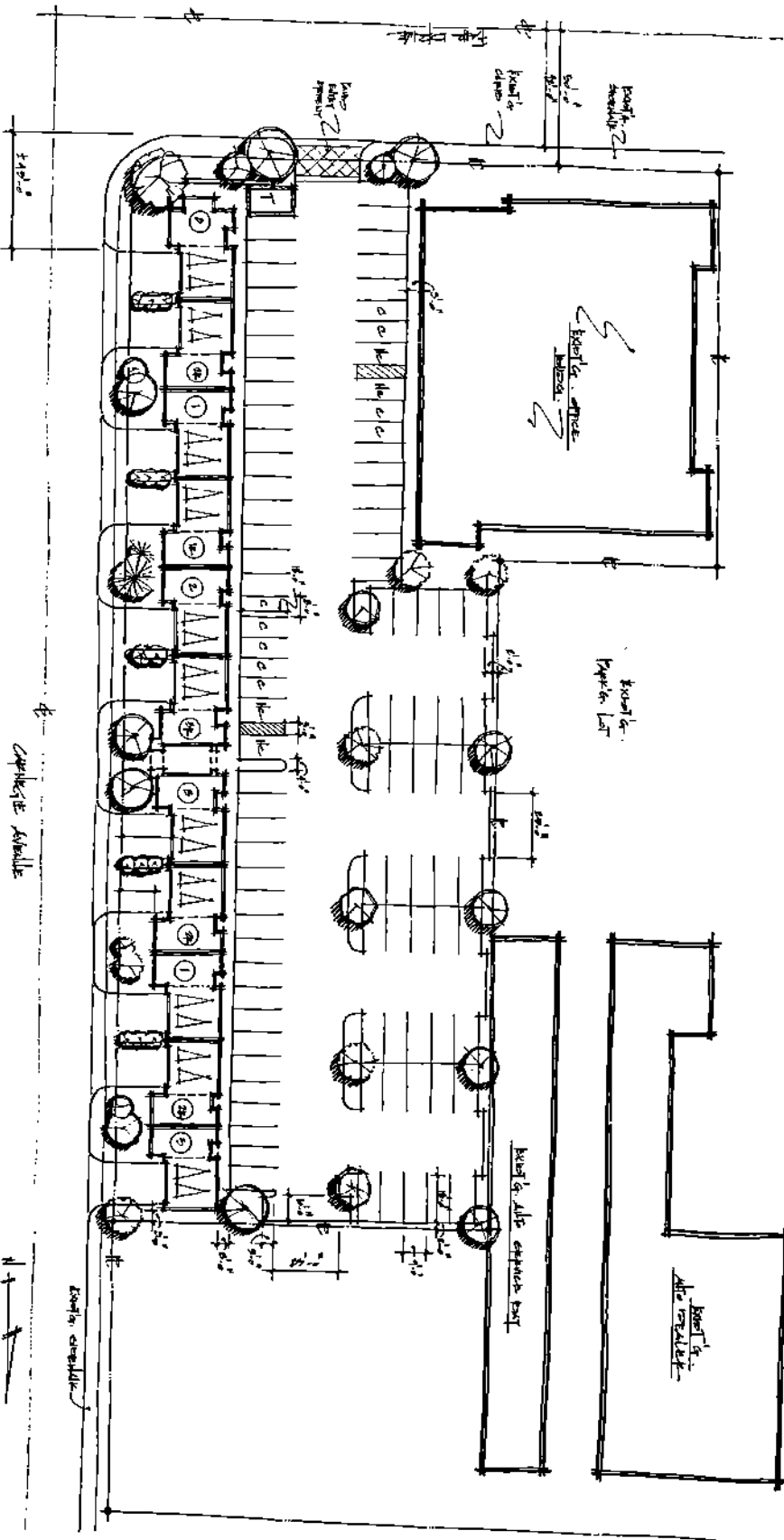
**PARKING:**

## 8.1 SPACES

## 9 COMPACT SPACES

**715 SPACES**  
**98 TOTAL SPACES**

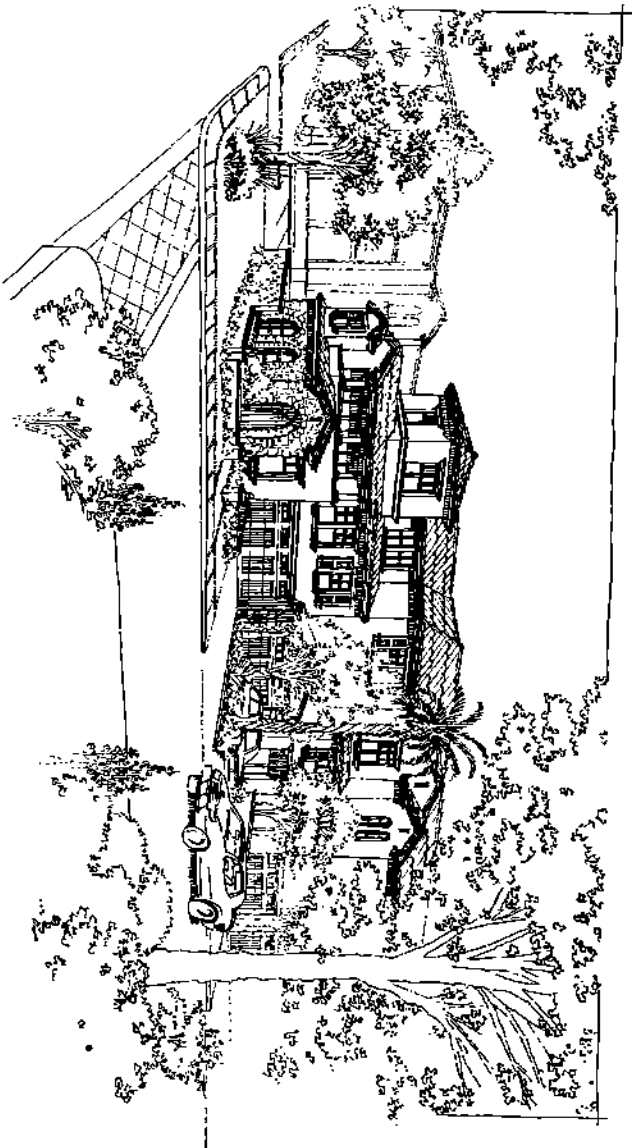
**(98 TOTAL REQUIRED)**



COSTA MESA, CA

Complete Available



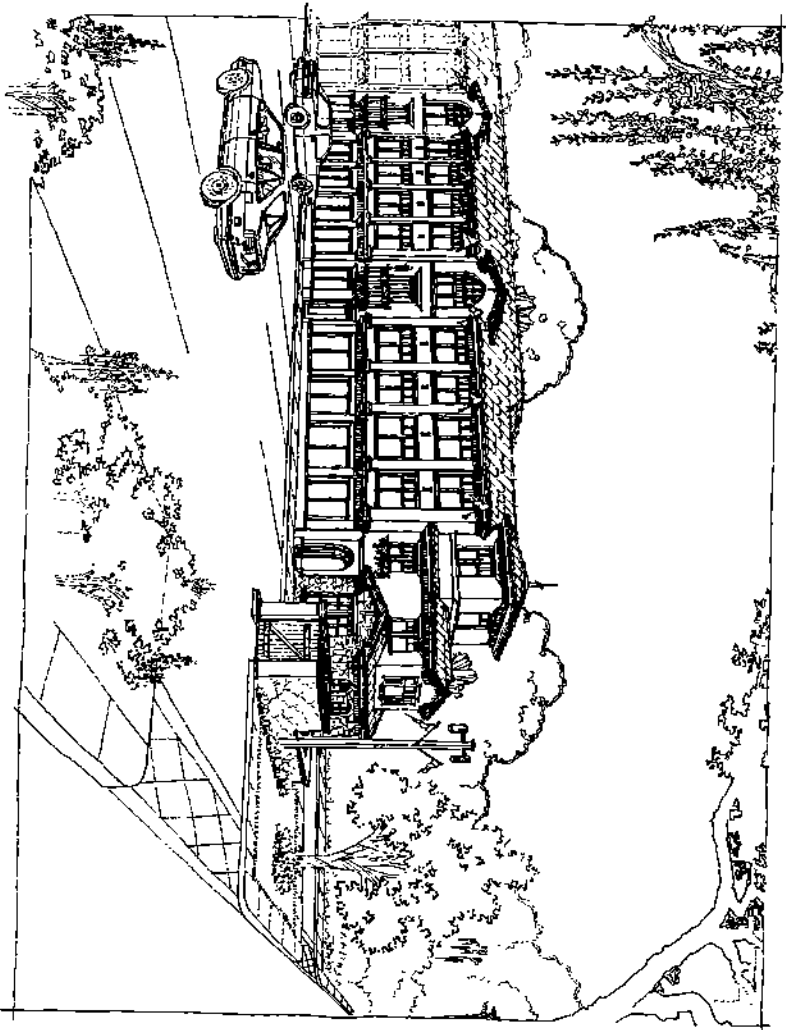


CONCEPTUAL VIEW FROM CARNEGIE AVENUE

CARNEGIE AVENUE  
COSTA MESA, CA

June 1, 1991





CONCEPTUAL VIEW FROM FAIR DRIVE

# CARNEGIE AVENUE

## COSTA MESA, CA

© 2011 HKS





GROUP

Public Affairs • Land Use • Law

November 5, 2007

Mr. Mel Lee  
Senior Planner, City of Costa Mesa  
77 Fair Drive  
Costa Mesa, CA 92628

**Re: General Plan Amendment Screening Request ~ 440 Fair Avenue; 2507 Carnegie Ave (southwest corner of Fair and Carnegie avenues); APN 141-42-122 & APN 141-42-119**

Dear Mr. Lee:

On behalf of Dalessio Investments, we are submitting this letter as a formal request to amend the General Plan and change our existing land use designation from Neighborhood Commercial to General Commercial to allow for a mixed-use development on the properties at 440 Fair Avenue (APN 141-42-122) and 2507 Carnegie Avenue (APN 141-42-119).

We firmly believe the properties listed above would better serve the city of Costa Mesa as a mixed-use residential development. Currently, our site is surrounded by General Commercial, High Density Residential and Low Density Residential land use designations. As such, we are proposing to construct eleven live/work units, which would provide a compatible land use transition between the existing commercial uses to the west of our property and the existing single-family residences to the east.

Although we respect the City's desire to limit considerations to changes in land use, we feel that our land use designation will further the goals of the city's General Plan by offering a unique housing type ideal for this location. By amending the General Plan designation to allow for a mixed-use development, the city of Costa Mesa could work toward its goal of increasing the number of homes available to potential long-term residents, as well as providing "a mix and balance of housing opportunities." We also believe that this project will provide a new and dynamic housing type that is ideal for "integrating employment and housing opportunities."

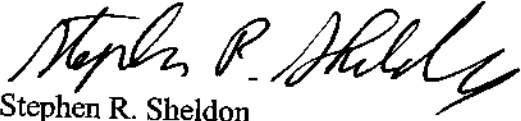
Additionally, we ask that you consider amending the land use designation for all adjacent properties contained within our current Neighborhood Commercial district. We believe that amending the entire area to General Commercial would bring this area of the city into greater conformity with existing commercial land uses. The proposed General Plan change would also be consistent with the land use designation to the south of the property, across Fair Drive.

We know that our proposed project will be a great addition to the city and we appreciate your time and attention to our request. Please feel free to contact me should you have any questions

- 13

or comments regarding the application. We look forward to working with you and your staff on this project.

Sincerely,



Stephen R. Sheldon  
President

cc: Dennis Dalessio, Dalessio Investments

Attachments/Enclosures:

- 1.) Authorization letter from Dalessio Investments
- 2.) Application
- 3.) Project Description
- 4.) Sixteen (16) sets of 11 x 17 conceptual site plans and renderings
- 5.) One (1) copy of 8 ½ x 11 conceptual site plans and renderings

# DKS Associates

TRANSPORTATION SOLUTIONS

December 3, 2007

Dennis D'Alessio  
Dalessio Investments  
440 Fair Drive, Suite F  
Costa Mesa, CA 92626

**Subject: Traffic Impact Evaluation for the Carnegie Live/Work Units, 440  
Fair Drive/2507 Carnegie Avenue, City of Costa Mesa**

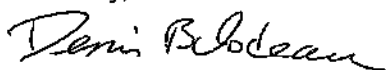
Dear Mr. D'Alessio:

DKS Associates (DKS) has completed a traffic analysis of the proposed use conversion from Medical Office Building to General Office Use and the addition of eleven Live Work Units in the City of Costa Mesa. The results are shown in the table below.

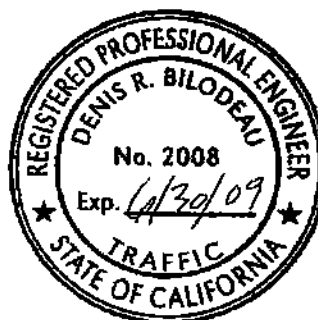
Description	AM Peak Hr Trips	PM Peak Hr Trips	Total Ave Daily Trips
<b>Existing</b>			
Medical Office Building 20,745 Sq. Ft.	52	77	750
<b>Proposed Project</b>			
General Office Building 20,745 Sq. Ft	53	59	401
11 Live/Work Units (equivalent to 11 apartments)	5	6	74
<b>Net Increase In Traffic</b>	<b>+6</b>	<b>-12</b>	<b>-275</b>

As shown above, only in the AM Peak Hour does the proposed project generate more trips. This increase in 6 trips is considered insignificant. Based on our calculations and knowledge of the project area, there would be impact related to traffic. To be conservative we used apartment units to derive the trip generation rate for the live/work units. Apartment units have a higher trip generation rate than condominiums.

Sincerely,



Denis Bilodeau, P.E.  
DKS Associates



2222 Martin  
Suite 140  
Irvine, CA 92612

(949) 863-0041  
(949) 863-1335 fax  
www.dksassociates.com